

KEYSPAN ENERGY DELIVERY NEW ENGLAND
D.T.E. 05-68

SECOND SET OF INFORMATION REQUESTS OF THE
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO
KEYSPAN ENERGY DELIVERY NEW ENGLAND

DTE 2-11

Date: February 24, 2006

Respondent: Leo Silvestrini

Q. On page 16 of the Company's filing, the Company states that it relies on fuel market share to estimate the commercial and industrial energy demand. Please discuss the variables that may affect the fuel market shares. Indicate how many times (if any) the market share has been modified in the End-Use Model since 1985.

A. The variables that may affect the fuel market shares in the commercial/industrial market are the age of equipment, the relative price of gas and oil, the installation and maintenance cost of energy equipment, and customer pay-back criteria on fuel switching economics. The market share has been modified in the End-Use Model three times since 1985. (Please see also the Company's response to DTE 2-8.) These updates were completed in 1988, 1993 and 2000.